

STATEMENT OF PERFORMANCE FROM THE DIRECTORS' REPORT

Respected Member & Honorable Shareholders,
Assalamu Alaikum,

On behalf of the Board of Directors and on my own behalf I welcome you all to the 15th Annual General Meeting 2021. The Board of Directors is pleased to take the opportunity to present you the Audited Financial Statements of the Company for the ended June 30, 2021, Auditors' report and the Directors' Report thereon along with Company's performance and other matters in terms of Companies ACT 1994, the guideline issued by Bangladesh Securities and Exchange Commission and International Accounting Standards.

AN INDUSTRY OUTLOOK

Dominage Steel Building Systems Ltd. (DSBSL) is experiencing a steady growth for the last couple of years and aims to be the market leader in Bangladesh. DSBSL plans to capture the unexplored sectors of the Pre-Engineered Building (PEB) in Bangladesh as well as in the foreign markets especially in African continent. DSBSL has a future plan to manufacture welding electrodes as a backward linkage which will enable it to reduce the cost of production and give a competitive edge over its competitors.

SEGMENT REPORTING

Dominage Steel Building Systems Ltd. is a pre-engineered steel building manufacturer and construction service, provider. Business activities of DSBSL are not recognized on the basis of differences in products and services or variations in geographical areas of operations. DSBSL has been manufacturing steel structures in its factory and when the structure has left the factory DSBSL recognized that the product has sold out. Basically, DSBSL has to sell a package to its potential buyer. So no need to show the performance of segment-wise or product-wise performance.

RISK AND CONCERNS

Changes in the existing global or national policies can have either positive or negative impacts on the company. Any scarcity or price hike of raw materials due to a change in policy in the international market might hamper production and profitability.

Moreover, the performance of the company may be affected by the political and economic instability both in Bangladesh and worldwide. Any instance of political turmoil and disturbance in the country may adversely affect the economy in general. Similarly, risks and concerns of the industry depend on the upcoming Government policy as well. However, as Pre-Engineered buildings are playing a crucial role in industrial growth, Government has special consideration in this sector and the expectation is that it will continue in the future.

DISCUSSION ON CONTINUITY OF EXTRA-ORDINARY GAIN OR LOSS

Extraordinary gains or losses refer to infrequent and unusual gain or loss and which is not part of the Company's ordinary/day to day operations. As to the Company, there was no such gain or loss during the year under reporting.

RELATED PARTY TRANSACTIONS

Related party transactions have been disclosed in note no. 36.04 the notes to the financial statements.

UTILIZATION OF IPO FUND

As per BSEC consent Letter no. BSEC/CI/IPO-296/2019/204 Dated: September 17, 2020, with issued & approved prospectus for IPO. The Company has raised Tk. 30.00 crore for the public for Building and other Construction, Electrical Installation, Acquisition of new Plan & Machinery and to meet IPO Expenses. The company has already managed to complete its IPO Expenses. Due to the outbreak of the COVID-19 pandemic situation in the domestic and international markets, it is not possible to spend in the sectors as mentioned in the prospectus at this moment due to the increase in the price of the necessary equipment. Therefore, considering the interest of the esteemed shareholders of the company. It has been decided to do a fixed deposit with the rest of the IPO fund proceeds till further decision.

it has been approved by our honorable shareholder to last Annual General Meeting-2020. Taka 11,31,13,910 (Eleven Crore Thirty One Lac Thirteen Thousand Nine Hundred and Ten) with Southeast Bank Ltd. & Bank Asia Ltd. to separate FDR Account for 3 (Three) months period. Thereafter the Company deposited as FDR an amount of Taka 16,73,10,090 (Sixteen Crore Seventy Three Lac Ten Thousand and Ninety) with NRB Commercial Bank Ltd for 3 (Three) months period. In this regard, we have reported to BSEC, DSE, and CSE on a monthly basis.

There are no significant variations after the company goes for Initial Public Offering in the financial results. No such variations occurred.

Compliance of Notification No.: BSEC/CI/IPO-296/2019/204 Dated: September 17, 2020

Company's Operations:

FIVE YEARS FINANCIAL POSITION

Operational Result	30.06.2021	30.06.2020	30.06.2019	31.06.2018	31.06.2017
Turnover	475,081,252	565,252,592	631,432,785	588,793,470	520,609,155
Gross Profit	138,352,154	167,748,405	195,772,070	185,215,085	149,206,852
Profit from Operating	110,042,316	142,146,139	168,086,097	159,306,869	122,178,637
Net Profit before Tax	106,231,093	129,388,022	148,797,255	143,703,377	111,616,788
Net Profit after Tax	106,900,564	92,274,403	96,718,216	90,117,426	98,073,036
Financial Position	30.06.2021	30.06.2020	30.06.2019	31.06.2018	31.06.2017
Non-Current Assets	1,039,617,200	957,543,382	890,793,680	692,073,580	591,928,305
Current Assets	984,663,321	687,472,611	639,358,263	542,144,036	610,995,178
Shareholder's Equity	1,748,076,338	1,379,751,773	1,287,477,371	1,006,207,009	916,089,583
Non-Current Liability	71,844,643	84,737,876	75,226,130	59,348,222	55,691,699
Current Liability	204,359,541	180,526,343	167,448,442	168,662,385	231,142,201
Key Financial Ratio	30.06.2021	30.06.2020	30.06.2019	31.06.2018	31.06.2017
Current Ratio	4.82	3.81	3.82	3.21	2.64
Quick Ratio	2.95	1.00	1.22	1.03	0.56
Debt to Equity Ratio	0.16	0.19	0.19	0.23	0.31
Net Income Ratio (%)	22.50%	16.32%	15.32%	15.31%	18.84%
Return on Equity (%)	6.12%	6.69%	8.43%	9.38%	11.31%
Earnings Per Share (EPS)	1.17	1.27	1.83	1.94	2.41

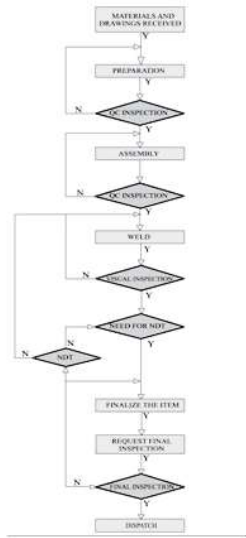
GOING CONCERN

The company has adequate resources to continue in operation for foreseeable future and hence, the financial statements have been prepared on going concern basis. As per management assessment there is no material uncertainties related to event or condition which may cast significant doubt upon the company's ability to continue as a going concern.

UNPAID OR UNCLAIMED DIVIDEND:

This is our 2nd Annual General Meeting to after Listed. Last year's declaration was 2% Cash and 8% Stock Dividend. There is the following summary of the unpaid or unclaimed dividends:

Up to June 30, 2021	
Number of Share Holder	Unpaid or Unclaimed Dividend Amount
8,312	794,676.56

OUR PRODUCTION PROCESS:**SIGNIFICANT VARIANCE OF FINANCIAL STATEMENT**

The Revenue of the company has reduced due to COVID 19 pandemic situation but net profit after tax has increased for the current year and as income tax rate has reduced to 20.25% from 32.5% as per Finance Act 2021 due to listing with stock exchange and As per ITO, 1984 (Amended by Finance Act -2021) if any non-publicly traded company transferred minimum of 20% of its paid-up capital through IPO (Initial Public Offering) it would get 10% rebate on total tax in the year of transfer. So the applicable tax rate for the Company would be 22.50%, considering the 10% rebate for the initial year. i.e. 20.25% which is reflected in provision for current tax & Deferred tax. Earnings Per Share (EPS) has decreased compare to Previous year due to increase of number of ordinary share. Net cash flows from operation activities decreased due to decrease of collection from customers as well as NOCFPS has decreased compare to previous year due to increase of number of ordinary shares. NAV has decreased current year to compare previous year due to increase of number of ordinary share. To increase interest income of the current year compared to the previous year due to the Company Received interest in its IPO proceeds Account.

DIVIDEND

The board of Directors has recommended 5% cash (without Sponsor & Director) & 5% stock dividend (stock dividend shall be subject to the approval of the Bangladesh Security and Exchange Commission) to the shareholder for the year ended June 30, 2021. Subject to the approval in the forthcoming Annual General Meeting- 2021 (AGM). The dividend will only be entitled to the shareholders whose names will be appeared in the share in the register of the company/depository register of CDBL on record date i.e December 8, 2021

N.B Record Date for the 15th AGM will be on December 08, 2021, only for the shareholder's decision on the general meeting(Not for Entitlement) and such stock dividend shall be subject to the approval of the Bangladesh Security and Exchange Commission, Record date for entitlement of stock dividend will be notified later after getting approval from BSEC.

APPOINTMENT OF STATUTORY AUDITORS:

During the 15th Annual General Meeting (AGM) the Shareholder appointed Shiraz Khan Basak & Co. Chartered Accountant, as Statutory Auditors of the company for the year 2020-2021. The Auditor is eligible for re-appointment as per BSEC notification. As proposed by the Audit Committee and recommended by the Board of Directors at its meeting dated November 18, 2021, the matter for appointment of Shiraz Khan Basak & Co. Chartered Accountants for the year 2021-2022 as statutory auditors of the company and to fix their remuneration of Tk. 200,000 (Two Lac & Fifty Thousand) including VAT & AIT is placed before the Shareholders at the 15th Annual General Meeting (AGM) for approval.

APPOINTMENT OF INDEPENDENT SCRUTINIZER

The BSEC, Condition no 9.Directive, dated March 10, 2021 Ref no.BSEC/CMRRCD/2009-193/08-. The company to be recruited an Independent Scrutinizer for observed the election and detailed information of voting results to Annual General Meeting (AGM)-2021. As proposed by the Board of Directors at its meeting dated November 18, 2021, the matter for appointment of The ARTISAN, Chartered Accountants for the year 2020-2021 as Independent Scrutinizer of the company and to fix their remuneration of Tk. 30,000 (Thirty Thousand) including VAT & AIT.

STATEMENT OF DIRECTORS ON FINANCIAL REPORTS

In accordance with the Bangladesh Securities and Exchange Commission Notification No. SEC/CMRRCD/2006-158/134/Admin/44 dated 07 August 2012 the Directors are pleased to confirm the following:

The financial statements together with notes thereon have been drawn up in conformity with the Companies Act. 1994 and Bangladesh Securities and Exchange Rules 1987. These statements present fairly the company's state of affairs, the result of its operations, cash flow, and changes in equity.

1. Proper books and accounts of the company have been maintained.
2. Appropriate accounting policies have been applied consistently in preparation of the financial statements and the accounting estimates are based on reasonable and prudent judgment.
3. The International Financial Reporting Standards, as applicable in Bangladesh, have been followed in the preparation of the financial statements.
4. The systems of internal control are sound and have been implemented and monitored effectively.
5. The pattern of shareholding is provided in Annexure-II of the annual report.

MAINTAINING A WEBSITE

The company maintains an official website, www.dominance.net

Compliance of Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 Dated June 03, 2018

BOARD SIZE

The number of members in the Board of Directors of the Company stands at 07 (including Two Independent Director) which are within the limits given by the BSEC Notification.

ELECTION OF DIRECTORS

Abul Kalam Bhuyan, Director and Sujit Saha, Director of the Company, retire as per articles 125 & 126 of Articles of Association and being eligible offer themselves for re-election. Brief resume and other information of the above-mentioned directors as per clause 1.5 (xxii) of BSEC notification dated 7th August 2012 are depicted in Annexure-III.

- a. A brief resume of the director
- b. Nature of his or her expertise in specific functional areas
- c. Names of companies in which the person also holds the directorship and the membership of committees of the board

CHIEF FINANCIAL OFFICER, COMPANY SECRETARY, HEAD OF INTERNAL AUDIT

As per corporate governance guidelines of BSEC, the company has allocated the responsibilities of the officials as follows:

Chief Financial Officer	: Santush Chandra Saha
Company Secretary	: Md. Mahfizur Rahman
Asst. Company Secretary	: Md. Jamir Hosen Chowdhry
Internal Auditor	: Shib Shanker Saha

AUDIT COMMITTEE

The Audit Committee, as a subcommittee of the Board of Directors, has been constituted with the Independent Director as Chairman and other Directors. The Company Secretary acts as Secretary to the Audit Committee. This committee assists the Board in ensuring that the financial statements reflect a true and fair view of the state of affairs of the company. The audit committee is responsible to the Board of Directors and its roles and responsibilities are clearly set forth. The role of the Audit Committee has been stated in the annual audit committee report.

CORPORATE GOVERNANCE

Corporate Governance is the practice of good citizenship, through which the company is governed by the board, keeping in view its accountability to the shareholders and to the society. A statement in pursuance of clause 1.5, The Directors Report to Shareholders. 3.5, Reporting to the Shareholders and General Investors, Certificate from the CEO and CFO to the Board as per clause 6, a certificate from a professional accountant as per clause 7(I), and status of compliance with the conditions imposed by the Commission's Notification No. SEC/ CMRRCD/ 2006-158/207/Admin/80, dated 3 June 2018 issued by Bangladesh Securities & Exchange Commission is depicted in Annexure-I, II, IV, VI, and VII respectively.

ANNEXURE TO THE DIRECTORS' REPORT

ANNEXURE-I

- Related Party Transactions are depicted in Note no. 36.04 in the Notes to the Account.
- Remuneration of Directors including Independent Director has been shown in Note no. 36.04 in the Notes to the Account.
- The Financial Statement of the Company present true and fair view of the Company's state of affairs, result of its operation, cash flows and changes in equity.
- Proper books of accounts as required by the prevailing law have been maintained.
- Appropriate accounting policies have been followed in formulating the financial statements and accounting estimates were reasonable and prudent.
- The financial statement was prepared in accordance with IAS/BAS/IFRS/BFRS.
- The internal control system is sound in design and is effectively implemented and monitored.
- Key operating and financial data of last five years have been presented in summarized form in page no.15
- The number of Board Meeting and the Attendance of Directors for the year ended 30 June, 2021 were as follows:

Board Members	Designation	Meeting Held	Attendance
Muhammad Shamsul Islam	Chairman	6	6
Mohammad Rafiqul Islam	Managing Director	6	6
Sujit Saha	Director	6	6
Abul Kalam Bhyian	Director	6	4
Rakibul Islam	Director	6	4
Md. Mizanur Rahman	Independent Director	6	2
Md. Shah Alam	Independent Director	6	3
Tapan Chandra Banik	Independent Director	6	6

The pattern of Shareholding as required by clause 1.5 (xxi) of the BSEC Notification dated 7th August, 2012, is stated in Annexure II.

ANNEXURE-II

xxiii. Pattern of Shareholding as on 30th June, 2021

Shareholding Pattern

The shareholding of directors at the end of 30 June, 2021 is shown as bellow:

SI No	Name Status	Name Status	No. of Shares Held on 30th June 2021	% of Shareholding
A. Parent/Subsidiary/Associated Companies/Others Related Party				
Director, Chief Executive Officer, Chief Financial Officer, Company Secretary, Head of Internal Audit and their Spouse and Minor Children:				
i	Muhammad Shamsul Islam	Chairman	12,041,988	11.74%
ii	Mohammad Rafiqul Islam	Managing Director	12,041,988	11.74%
iii	Sujit Saha	Director	2,632,523	2.56%
iv	Rakibul Islam	Director	2,132,055	2.08%
v	Abul Kalam Bhyian	Director	2,132,055	2.08%
vi	Md. Mizanur Rahman	Independent Director	Nil	Nil
vii	Tapan Chandra Banik	Independent Director	Nil	Nil
B. Office Staff				
i	SM Abdul Awal	General Manager	Nil	Nil
ii	Santush Chandra Saha	Chief Financial Officer	Nil	Nil
iii	Md. Mahfizur Rahaman	Company Secretary	Nil	Nil
iv	Md. Jamir Hosen Chowdhury	Asst. Company Secretary	Nil	Nil
v	Shib Shanker Saha	Internal Auditor	Nil	Nil
vi	Md. Atiqur Rahman	Manager	110,000	0.11%
vii	Md. Delowar Hossain	Manager	100,000	0.10%
viii	Rehana Parvin	Manager	130,000	0.13%
ix	Abu Ishaque Mohammed Raihan	Asst. Manager	125,000	0.12%
x	Anirban Joader Tonmoy	Senior- Architecture	40,000	0.03%
C. Shareholders holding 10% or more voting interest in the company:				
i	Muhammad Shamsul Islam	Chairman	12,041,988	11.74%
ii	Mohammad Rafiqul Islam	Managing Director	12,041,988	11.74%

1. No Company Secretary/CFO/ Internal Auditor and their spouse and minor children hold above mentioned shares of the Company.

2. No Shareholders hold 10% or more shares except Muhammad Shamsul Islam & Mohammad Rafiqul Islam hold 11.74% shares.

Summary of Shareholders and range of shareholder:

The Shareholding distribution schedule of Dominage Steel Building Systems Ltd. as on June 30, 2021 is presented as below:

Group Name	Number of Share Holders	Number of Shares	Ownership (%)
Sponsors/Promoters & Director	5	30,980,609	30.20
Institutions	260	22,143,098	21.58
General Public	11597	49,476,293	48.22

Directors Involved In Other Companies:

SI No	Name	Position in DSBSL	Involvement	
			Name of the Company	Position
1	Muhammad Shamsul Islam	Chairman	Dominage Development & Holding Ltd.	Managing Director
			Dominage Consultants Ltd.	Director
2	Mohammad Rafiqul Islam	Managing Director	Dominage Development & Holding Ltd.	Director
			Dominage Consultants Ltd.	Chairman
3	Sujit Saha	Director	Fine Foods Ltd.	Nil
4	Abul Kalam Bhyian	Director	Nassa Design & Developments Ltd.	Chairman
			Five H Packaging Co.	Partner
			Paradise Embroidery & Services	
			Nasim International Ltd.	Managing Director
5	Rakibul Islam	Director	Nil	Nil
6	Md. Mizanur Rahman	Independent Director	Nil	Nil
7	Tapan Chandra Banik	Independent Director	Nil	Nil

MANAGEMENT APPRECIATION:

The Board of Director's record with deep appreciation the performance of the management, the officers, staff and workers whose relentless effort helped increase the productivity as well as the net profit despite the natural and unnatural adverse factors of production and marketing throughout the country and the world. It is expected the employees and the management will continue to improve the results for the interest of shareholders whose unswerving trust in management has always been an inspiration to the Board of Directors.

The director humbly expresses their gratitude and acknowledges with keen interest the cooperation and unflinching support it has received from various agencies including the Bangladesh Securities and Exchange Commission, Stock Exchanges, National Board of Revenue, and other agencies of the public and the private sector. We look forward to a brighter future for all of us.

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Sd/-

Muhammad Shamsul Islam
Chairman